FACTS ON FILE

Weekly World News Digest with Cumulative Index

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Letters in margin are to facilitate reference from future issues and index

WORLD AFFAIRS

SUMMARY. *MacArthur drew fire from Washington, UN for talk of attack on China, bid for Korean truce parley in field. Russia accepted several Western demands for Big 4 agenda. Western Hemisphere economic-defense conference opened. Argentina claimed new atomic energy process.*

Domestic News. *3 convicted as atom spies for Russia. French Pres. Vincent Auriol visited U.S. Senate crime inquiry extended 30 days. Sen. Fulbright urged moral reform of Govt. aides. 60% of nation's food put under price control.*

KOREA

MacArthur Curbed on Parallel, Truce Bid. Gen. Douglas MacArthur's superiors in Washington took him to task for a statement March 24 implying that the UN may soon decide to attack Red China proper and advising the Red commander to meet with him for a truce parley in the field. U.S. Defense Secy. George C. Marshall vetoed a full-scale UN crossing into North Korea. The U.S. Joint Chiefs of Staff were said to have told MacArthur his truce bid was political and should have been cleared in advance with Washington. Nothing came of the truce offer, which the Chinese Red radio ridiculed March 29.

MacARTHUR

Statement. On leaving Tokio March 24 for his 14th visit to the Korean front, MacArthur said: South Korea has been "substantially cleared" of Red troops. The Reds lack "industrial capacity . . . essential to the conduct of modern war" and "must by now be painfully aware that a decision of the UN to (expand) military operations to (Chinese) coastal areas and interior bases would doom Red China to the risk of imminent military collapse." "Within the area of my authority as military commander," MacArthur added, "I stand ready at any time to confer in the field with the commander-in-chief of the enemy forces in an earnest effort to find any military means whereby the realization of the political objectives of the UN in Korea, to which no nation may take just exceptions, might be accomplished without further bloodshed." Later same day MacArthur told newsmen in Korea he had directed the U.S. 8th Army to cross the 38th Parallel "if and when its security makes it tactically advisable." [See p. 81K]

Reaction. First reaction on the truce bid in Britain and at UN Hq. in New York, where officials had waited vainly for Red China to answer UN Good Offices Com. appeals, was a hope that the Reds might respond to MacArthur's offer of a parley in the field. But the idea of attacking Red China was still unpopular in the UN, and State and Defense Dept. officials in Washington quickly disassociated themselves from it. After conferences among Pres. Truman, State Secy. Dean Acheson and his top aides, Defense Secy. Marshall and Dep. Defense Secy. Robert A. Lovett, the State Dept. issued a statement March 24 that said: "Gen. MacArthur is conducting UN military operations in Korea under military directives . . . fully adequate to cover the present military situation in Korea. The political issues, which Gen. MacArthur has stated are beyond his responsibility as a field commander, are being dealt with in the UN and by inter-governmental consultations."

State was said to have won Defense assurance March 26 that MacArthur would be told to clear any future statements having political overtones; the Joint Chiefs of Staff were reported to have sent these instructions to Tokio. Marshall told a news conference March 27 MacArthur's troops had authority to cross the 38th Parallel "to safeguard the security of his command" but this did not mean they could push all the way to Manchuria. "Any general advance is a matter for political decision," he said.

Pres. Truman told his news conference March 29 he is still for a free, unified Korea but this does not necessarily mean UN forces will try to drive to Manchuria. As for crossing the 38th Parallel, he said, this remains a tactical matter for military decision and Gen. MacArthur's instructions to that effect have not been changed. [See p. 82A]

Meanwhile MacArthur said in a report to the UN March 26 on February operations that the "myth of invincibility of Communist military power" has been destroyed. South Korean Pres. Syngman Rhee declared same day that "to talk of stopping short of the Manchurian border makes no sense." [See p. 89G] Indian Prime Min. Jawaharlal Nehru commented March 28: MacArthur's March 24 statement was "fraught with grave consequences" and "no field commander is going to lay down the policies of the Govt. of India." [See pp. 82M-N, 51C]

WARNINGS. Despite recent UN gains in Korea the world situation is "a great deal more serious" than when Red China invaded Korea last November, Gen. George C. Marshall said March 27 in his first formal news conference as U.S. Defense Secy. He said he was amazed by the letdown in public and Congressional interest in mobilization during the winter, warned that the U.S. is in for 10 years of tense relations with Russia. He said another $10 billion for defense will be asked for the fiscal year ending June 30 and the defense request for fiscal 1952 will go up to $60 billion. [See pp. 97B, 100P, 92N-P, 76L, 52A, 16E-N]

There will be "critical" danger of Soviet aggression in Germany the next 6 months, Lt. Gen. Manton S. Eddy, U.S. 7th Army commander there, predicted March 27. He said the 2 divisions now under his command have abandoned "spit and polish" standards of occupation duty and are concentrating on combat training. [See p. 82L; Vol. X, 392A]

Retired AF Gen. Carl Spaatz in *Air Force Magazine* March 27: The "wall of flesh" being erected by defense planners in West Europe would be helpless against the "10-to-1" Soviet margin in combat planes; under present Western plans Russia will still have an air edge in 1953. [See p. 59E]

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Reds Spurn Bid. The Chinese Red radio dashed hopes that anything would come of MacArthur's truce bid when it denounced the offer March 29 as a "bluff" and "insult to the Chinese people." It repeated its charge that the U.S. and Britain are plotting "direct aggression" against China. Red China issued a directive March 26 for a speedup of industrial and agricultural production to aid its war effort in Korea. [See pp. 89C, 41D]

Warfare. Paratroops of the U.S. Army's 187th Airborne Regimental Combat Team made a drop March 23 behind enemy lines near Munsan, 18 miles northwest of Seoul and 10 miles south of the 38th Parallel. They hoped to trap 10,000 to 60,000 enemy troops but most of the Reds escaped to the north, forewarned by heavy air attacks that preceded the paratroop drop. However, the airborne attack eliminated the last major enemy area below the 38th Parallel. Despite rainy weather a U.S. tank column pushed up to Munsan March 24, another took Uijongbu same day, and the 2 tank forces merged near Munsan March 26.

South Korean Marines were revealed March 26 to have raided the North Korean west coast near Chinnampo, and ROK troops captured Yangyang, 5 miles north of the 38th Parallel on the east coast, March 27. The main front stretched March 29 from Munsan to the Yangyang sector with UN forces just below the parallel training artillery on Reds concentrating above Chunchon in the center. Red reinforcements continued to stream into Korea from Manchuria despite heavy air attacks. [See p. 89B-D]

South Korean Ambassador to the U.S. appointed March 26: Dr. Y. C. Yang, 54, Honolulu physician, to succeed Premier John M. Chang. [See p. 35C] . . . **Congressional Medal of Honor** was awarded posthumously March 28 to Pvt. Joseph R. Ouellette of Lowell, Mass., for heroism when his company of the U.S. 2d Div. was cut off near Yongsan last Aug. 31. He was killed Sept. 3. [See p. 82B] . . . **Canadian** destroyer force commander in the Far East: Comdr. Alexander B. Fraser-Harris, who succeeded Capt. J. V. Broke March 23. [See p. 89G]

EUROPE

Deputies Talks Progress. Russia's Andrei A. Gromyko made the biggest concession to date in the Big 4 Deputies Conference in Paris when he offered a new agenda for the Foreign Ministers March 28 that met several Western demands. He conceded that causes of tension in Europe should be first on the list; German demilitarization should be discussed in connection with European tension and not as a separate question based on the 1945 Potsdam pact; existing level of armaments should be examined. Points still in dispute: Western demands that an armaments study include the Soviet satellites in Europe, not the Big 4 alone, and precede discussion of armaments control; Western insistence on a Foreign Ministers discussion of Austria. [See p. 90H]

Red Arms Spending. The U.S. State Dept. said March 25 that the USSR will devote 20% of its national income to armaments under its 1951 budget as against 15% in the West. It said Russia's $24 billion arms budget does not cover aircraft, tank and atomic production, veterans benefits, camp and other construction built by "slave laborers," or development of steel plants, canals and power stations needed primarily for military purposes. It also pointed out that Russian soldiers are paid far less than American and the Soviet Govt. does not charge itself turnover taxes on military goods. [See pp. 94A, 90J]

Arms spending was increased by Czechoslovakia and Poland in 1951 budgets passed March 22. Czech budget: 114,451,057,000 crowns ($2,289,021,000) of which 10,506,080,000 crowns goes to the Army, 5,064,000,000 to the police. Polish budget: 51,891,385,000 zlotys ($12,972,000,000) with $937,500,000 earmarked for defense, about half that for police. [See p. 9G]

Red 'Peace' Drive. A pro-Soviet European Workers Conf. in East Berlin, attended by delegates from 18 European nations, adopted plans March 25 to campaign among workers throughout Europe against West German rearmament and organize strikes and sabotage in West Germany itself. [See p. 58A]

Berlin Shooting Incident. East Berlin policemen fired on 4 busloads of U.S. soldiers, civilians and children when their sightseeing buses crossed from the Soviet to the U.S. sector in Potsdamerplatz March 28. The Reds said their commands that the buses halt had been ignored. Nobody was injured but U.S. and British authorities lodged strong protests with the Soviets March 29; they were rejected at once. [See Vol. X, p. 413K]

Italy. Canada's offer to equip a complete Italian Army division was accepted by Italy March 22 [see p. 90G-H]. The U.S. disclosed March 22 it has told Italy it thinks the time is inopportune to discuss lifting the World War II peace treaty limit on Italian armaments despite the Soviet satellites' rearmament in East Europe. (Italy's treaty limits: 185,000-man army, 65,000-man police force, 67,500-ton navy.) "Complete identity of views" on returning Trieste to Italy was announced by Prime Mins. Alcide de Gasperi and Clement R. Attlee, Italian Forgn. Min. Count Carlo Sforza and British Forgn. Secy. Herbert S. Morrison after a conference in London March 14-15. However, the Italian leaders failed in efforts to persuade the British to come into the Schuman coal-steel pool plan and help form a stronger West European Union. [See p. 82J]

Eastern Liberation Seen. A September conference in London of exiled "free leaders" from Iron Curtain countries to plan "a new way of life" for their countries after they are "liberated" was announced by the European Movement March 25. Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland and Rumania will be represented. [See p. 90K]

Exiles from Iron Curtain countries and Yugoslavia now in the U.S. zone of Germany were given permission March 24 to enlist in the U.S. Army. Enlistments will be limited to 2,500 unmarried males in the 18-35 age group. They will be trained in the U.S., may apply for U.S. naturalization after they complete 5-year enlistments with good records. [See p. 83N]

Steel output in West Europe last year totaled about 53 million metric tons (2,204.6 lb.) as against 47 million in 1949, the UN Economic Comm. for Europe reported March 23. It said the Soviet bloc produced about 35,788,000 metric tons in 1950 as against 30 million in 1949. (U.S. production last year: 87,723,000 metric tons.) [See p. 22K; Vol. X, 377J, 74C]

Syria. An 18-day Syrian Cabinet crisis was settled March 27 when Khaled el Azam succeeded Populist leader Nazem el Kodsi as Premier. Efforts to establish a coalition regime failed, and the new Cabinet consisted mostly of independents but had Arab Socialist Party support. Populists and Moslem Socialists declined to participate. New Cabinet:

Premier, Forgn.—Khaled el Azam
Defense—Col. Fawzi Selo
Finance—Abdur Ahman Azam
Public Instruction, interim Natl. Economy—Raif Mulqi
Agriculture, interim Justice—Abdul Baqi Nizam ed-Dine
Public Health, interim Public Works—Dr. Sami Tayyara

[See p. 53P; Vol. X, 310P]

UNITED NATIONS

India Adamant on Kashmir. Indian Prime Min. Jawaharlal Nehru rejected March 26 as "dishonorable" for India a new Kashmir peace formula offered by the U.S. and Britain March 21 in the UN Security Council. The plan would let arbitrators named by the Intl. Court of Justice settle differences between India and Pakistan over Kashmir. [See p. 67L]

Palestine. Plans to resettle 50,000 Arab refugees from Palestine in the Sinai desert of Egypt were announced by the UN Relief & Works Agency for Palestine March 23. The Arab League announced March 26 it is setting up a bureau in Cairo to see that the Arab states' economic blockade of Israel is tightened. Shooting incidents occurred March 25-27 between Israelis and Syrians in a River Jordan border area where Jewish workers were draining the Huleh swamps. [See pp. 75F-G, 87P, 59L]

ECOSOC Actions. The UN Economic & Social Council ended its Santiago (Chile) meeting March 21. Results:

● Voted 15-3 (Russia, Czech., Poland opposed) March 19 to form a committee to investigate forced labor anywhere in the world. Russia fought the move but implied it might let investigators visit the USSR. U.S. delegate Walter Kotschnig charged March 15 that 14% of the USSR's capital construction in 1941 was done by forced labor, said estimates of slave laborers in the USSR now range from 2 million to 20 million. [See p. 75E-F]

● Voted 15-3 March 20 for a study by governments and special UN experts of ways to prevent inflation and insure fair distribution of goods during the world arms race; approved UN Secy. Gen. Trygve Lie's 20-year peace program. [See pp. 75E, 67P]

● Lifted the ban on granting ECOSOC consultative status to non-governmental organizations that have Spanish members. Vote March 21 was 11-5 (Soviet bloc, Mexico, Uruguay opposed; India, France abstaining). [See p. 53M; Vol. X, 393G]

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● Asked the Intl. Refugee Org. and World Health Org. March 19 to aid victims of Nazi prison medical experiments.
● Deferred March 13, until the ECOSOC summer session, a decision on whether to have the Subcom. on Freedom of Information meet this year to consider the new draft convention on free information. [See p. 59P]
● Rejected 15-3 (Soviet bloc in minority) March 13 a Polish resolution to have UN members reduce their arms budgets 30%-50% and apply the savings to public and social works.

Paris Session Planned. The Gen. Assembly voted 24-17 with 13 abstentions March 20 to hold its regular session next fall in Paris on these conditions laid down by France: The session must start Nov. 6 instead of mid-September and must be completed in Paris no matter how far it runs into 1952; the UN must take some of the financial burden of playing host off France. The French reconsidered their refusal to have the UN in Paris because of pressure from delegations. [See p. 28G]

World population was 2,378,000,000 in 1949 as against 1,834,000,000 in 1920, the UN *Demographic Year Book* for 1949-50 estimated March 27. Estimated population of principal areas in mid-1949: Asia 1,254,000,000, Europe 593 million, Americas 321 million, Africa 198 million, Oceania 12 million . . . **Trusteeship Council** adjourned March 16 after an 8-week meeting in which it urged Australia to speed road-building projects in New Guinea, give New Guinea natives more participation in local government and Nauru natives larger royalties from that island's phosphate industry. The U.S. was asked to speed settlement of natives' land claims and redemption of seized Japanese currency in its Pacific trust islands. [See p. 67N] . . . **Peace Observation Com.**, meeting March 16 for the first time, rejected a Soviet demand that the Communists represent China on the 14-nation body. Dr. Francisco Urrutia of Colombia was elected chairman for a year, Kiri Nosek of Czechoslavakia vice chairman, Awni Khalidi of Iraq rapporteur. [See Vol. X, p. 408J] . . . **Libya's** Fezzan district will get UN technical economic aid under a French-UN pact signed March 25. Britain turned Tripolitania over to the provisional Libyan Govt. March 8. [See Vol. X, p. 408A-B] . . . **Econ. Comm. for Asia & the Far East**, in a session in Lahore ended March 10, made plans to set up a training center for technicians, develop cottage industries and mineral resources, promote trade and investment of capital in Far Eastern countries. It criticized the UN's slowness in expanding its technical aid program in Asia. [See p. 75G] . . . **El Salvador** signed an agreement with the UN March 8 for the world's first demonstration center to show that a nation's health and welfare can be improved through a comprehensive technical aid program. The World Health Org., Food & Agri. Org., Intl. Labor Org., Intl. Civil Aviation Org. and UNESCO will help develop a rural region of 100,000 population around the town of Quezaltepequen (pop. 16,000). [See pp. 94E, 75F, 60B]

UNESCO's agreement to eliminate customs barriers against importation of educational and scientific materials was signed March 18 by New Zealand, the 20th signer. [See p. 60A] . . . **Jews** in the USSR and its satellites are being subjected to "cultural and spiritual genocide," a U.S. labor delegation charged March 21 in asking the UN Human Rights Div. to investigate suppression of the Jewish faith in Red countries. The protest was lodged by David Dubinsky of the ILGWU, Jacob Potofsky of the Amalgamated Clothing Workers, Joseph Baskin of The Workmen's Circle (Jewish labor fraternal order) and Adolf Held of the Jewish Labor Com. [See p. 75G-H] . . . **South Africa** rejected March 10 the UN Gen. Assembly's proposal that a roundtable conference be held by South Africa, India and Pakistan on nonsegregation of Indians in South Africa. [See Vol. X, p. 392P] . . . **Women** hold 1,351 of the 3,320 Secretariat jobs (41%) and 4 of the 159 top administrative jobs (2.5%), Secy. Gen. Trygve Lie reported March 23. [See pp. 60C; Vol. X, 165M, 156D] . . . **Intl. Children's Emergency Fund** closed its Prague office March 10 because the Czech Govt. had stopped cooperating with most ICEF programs. [See p. 60C]

NATIONAL AFFAIRS

THE PRESIDENT

Ends Vacation. Pres. Truman flew back to Washington March 22 after a 20-day vacation at Key West. Tanned and smiling, he said he "had a good trip and . . . worked hard." "If I felt any better I'd need help," he declared. [See pp. 75P, 83D]

Auriol Visit. French Pres. Vincent Auriol, 66, arrived March 28 on the first formal visit ever paid the U.S. by a President of the Republic of France. Pres. Truman led Washingtonians in greeting him when he arrived by train from New York, where he disembarked from the liner *Ile de France*. Auriol will spend 5 of his 11 days in the U.S. in Washington for general talks on Western policy (he has no authority to conclude agreements for France). He said at a dinner given by Pres. Truman March 28 that the French "have resolutely decided to defend their country from aggression" and France is "willing to abandon part of her sovereignty to the world [UN] organization for peace." He told the Natl. Press Club March 29 it was an "insult" to question France's will to defend itself. Auriol was accompanied on his American trip by his wife and son Paul, 32. [See pp. 59H, 42M; Vol. X, 73C]

PRES. AURIOL

Bills Signed. (March 22) Measure waiving for another year racial barriers to immigration of wives and children of servicemen. [See p. 84B] . . . (March 23) 90-day extension of federal rent controls (2 bills, one for the District of Columbia, the other for the rest of the U.S.). [See p. 91M] . . . Renegotiation bill under which the Govt. can recapture excess profits of war contractors and "5 percenters." [See p. 84A] . . . (March 26) Legislation under which holders of Savings Bonds can keep them at 2.9% interest if held an additional 10 years. [See p. 60M] . . . (March 28) Bill ending immigration ban on persons who had been involuntary members of foreign totalitarian organizations (designed to aid wives or other relatives of U.S. servicemen). (The House had approved it March 20.) [See p. 84K]

Schedules Pan American Day. Pres. Truman March 23 proclaimed April 14 as Pan American Day. [See p. 83E]

Canal Security Order. Pres. Truman March 24 issued an executive order designed to protect the Panama Canal Zone from sabotage or other subversive activity. He gave the Canal Zone governor authority to search all vessels and harbor facilities. Ships violating the order could be seized, individuals jailed for up to 10 years and fined $10,000. [See Vol. X, p. 416K]

Resignation. Ingram M. Stainback, 67, as Governor of Hawaii March 26 (effective April 30). (Mr. Truman named him an Associate Justice of the Hawaiian Supreme Court March 27; he will replace Edward A. Towse, who was simultaneously nominated for elevation to Chief Justice.) [See Vol. IX, p. 398A; II, 236A]

Appointment. Paul C. Daniels as Ambassador to Ecuador March 27. [See Vol. X, p. 416F]

CONGRESS

Fulbright Seeks Moral Reform. Sen. J. William Fulbright (D., Ark.), whose Senate Banking subcommittee has been investigating the RFC, urged the Senate March 27 to try to check "the moral deterioration, which is so evident to all," lest it destroy "our free democratic system." He proposed a commission of eminent private citizens to "draw forth meaning from the mass of data revealed by the several current investigations" and to draft a code of ethical conduct for those in the Govt. He introduced a resolution to create such a group and to give it investigative powers March 28. The House has a similar bill.

Ex-Rep. Joseph E. Casey (D., Mass.) refused March 28 to tell Fulbright's subcommittee the names of the men who joined him in a surplus ship deal that netted a $2,800,000 profit from a $100,000 investment. He said the subcommittee had no jurisdiction to investigate anything but the RFC and would violate the 4th Amendment's guarantee against unreasonable search and seizure if it forced him to reveal the details of the deal. Records of the Fed. Maritime Board revealed March 29, however, that the original stockholders in Casey's deal included the late ex-State Secy. Edward R. Stettinius Jr., Fleet Adm. William F. Halsey and ex-Asst. State Secy. Julius C. Holmes, now minister

and counselor of the U.S. Embassy in London. They were listed as owners of American Overseas Tanker Corp. stock in 1947 at a time when none of them was employed by the Govt.

Fulbright suggested that the Senate Expenditures Com., which has general investigative authority, inquire into the Casey deal and other Maritime Comm. activities. The Senate Commerce Com., which has jurisdiction over maritime affairs, began its own inquiry into the matter March 26. [See p. 83K]

Pres. Truman assured reporters March 29 that he did not intend to dismiss Donald S. Dawson, his administrative aide, who has been accused of trying to influence the RFC. Fulbright invited Dawson 3 weeks ago to appear before the subcommittee and clear himself, but Dawson has not yet replied. [See p. 76G]

RFC borrowers March 23 formed a "Small Mfrs. Emergency Com." to save the RFC. Ex-Asst. Atty. Gen. Wendell Berge, chairman of the group and former head of the Justice Dept.'s anti-trust division, charged that "big business and banking interests" were trying to abolish the RFC. RFC Chrmn. W. Elmer Harber March 24 opposed proposals to end the RFC because, he said, it gave small business credit it could not get elsewhere. But ex-RFC Chrmn. Jesse H. Jones urged its abolition in a letter to Sen. Harry F. Byrd (D., Va.) March 23. [See p. 91G-L]

Easter Recess. The House adjourned March 22 until April 2 for an Easter vacation. The Senate held token sessions (it set a 10-second brevity record March 26) during Easter but postponed all important business until April 2. [See p. 6A]

No Civil Rights Action. A report on civil rights progress in 1950 condemned the 81st Congress (in session 1949-50) for having taken "no substantial action" on civil rights legislation. The report, issued by the American Jewish Congress and Natl. Assn. for the Advancement of Colored People March 25, said that steps taken by the armed forces to eliminate discriminatory practices were inadequate. [See p. 52A-B]

SENATE CRIME INVESTIGATION

Extend Inquiry 30 Days. The Senate March 29 extended the life of the Senate Crime Investigating Com. for 30 days beyond March 31 to give it time to file its final report. Sens. Alexander Wiley (R., Wis.) and Sen. Charles W. Tobey (R., N.H.), minority members of the committee, announced plans to introduce a resolution to extend the committee until Jan. 15, 1952 and vote it another $100,000. It already has received $250,000. The committee has received thousands of letters requesting that the hearings be continued, especially in cities not yet investigated. Chairman Estes Kefauver (D., Tenn.) who won nationwide recognition for his work during the past 11 months, prefers a permanent nonpartisan commission and wants to step down so he can devote his time to international peace. [See p. 92C-N]

Pres. Truman praised the committee's work March 29.

Ends Public Hearings. As public hearings ended March 27, 31 racketeers or gamblers faced prosecution for contempt of Congress for refusing to answer questions before the committee. Witnesses at the last 3 public sessions (all in Washington):

Sidney A. Brodson, 42, Milwaukee gambler, testified March 24 that he bets $1 million a year, mainly on college basketball. He said he knew of as many as 5 referees who took bribes to fix games and that he suspects a number of teams aside from those involved in the N.Y. scandals have bribe-taking players. He made $80,000 profit last year, said he was worth $250,000. [See p. 104D]

Judge Samuel S. Leibowitz of N.Y. testified March 26 gamblers pay $20 million to $25 million a year to policemen there for protection. Toleration of such graft goes "right to the man in the City Hall," he said. "It couldn't exist without his knowing it." Chief committee counsel Rudolph Halley, who has also won a considerable reputation for his work on the committee, estimated March 27 that the total take in the New York numbers racket is $40-$50 million annually. [See p. 100N-P]

Atty. Gen. J. Howard McGrath said March 26 that Frank Costello, gambler, could not be deported or denaturalized under present law. Costello was convicted only once, in 1915, on a concealed weapon charge. [See p. 92H]

J. Edgar Hoover, FBI director, said March 26 that gambling could be wiped out in the U.S. within 48 hours if state and local laws were strictly enforced. Hoover and McGrath both reported an increase in crime in the U.S. and urged that the committee be continued as a permanent standing body.

Hoover testified that Irving Sherman, "one of the most prominent criminals of the underworld" and a man who helped William O'Dwyer win the New York Mayoralty election in 1945, was friendly enough with a top New York police officer to be driven around in a police car. Sherman is a missing witness wanted for questioning by the Senators.

(Deputy Chief Inspector Abraham Goldman said in New York March 27: He has been friendly with Sherman, has ridden with him from La Guardia Field several times, never in a police car, as part of his work to get information. After 2 days of questioning, he retired from office March 29.)

Wayne Coy, FCC chairman, said March 26 a committee plan to put racing news by wire and radio under FCC control was "impracticable."

Abner (Longie) Zwillman, reputed New Jersey racketeer, refused to testify about his bootlegging during prohibition.

Lou Rothkopf and **Morris Kleinman,** Cleveland gamblers, refused to testify before television March 26 and were cited for contempt March 27.

Witnesses March 27:

Internal Revenue Comm. George J. Schoeneman, who told about the special fraud section being created in the bureau to investigate tax returns of racketeers. He has already given the committee a list of 2,500 being investigated. He said only 50 or 60 Internal Revenue employes out of 55,000 have to be dismissed each year for bribes or other irregularities although they handle the collection of nearly $60 billion in taxes.

Fed. Narcotics Bureau Chief Harry J. Anslinger, who said the Chinese Reds have dumped 500 tons of opium on the world market at Hong Kong (enough for a year's supply for medical purposes) and some was bound to reach the U.S. underworld. Large quantities of Chinese heroin are being routed through Japan to the U.S., he said. He recommended drastic steps to wipe out dope peddling and consumption.

William G. (Bootsy) O'Brien, Miami gambling figure, refused to answer questions on race wire operations in Florida and was ordered held in $10,000 bail for possible contempt.

In closed session March 27 the committee heard testimony about Ford's relations with the car-hauling firm owned partly by Joe Adonis (Joseph A. Doto) in Edgewater, N.J. Ford officials testified previously that no other trucker was licensed by the ICC, so it had to deal with Adonis. [See p. 92D]

Threats. Sen. Tobey disclosed March 27 that he has received 3 threats and asked for an FBI investigation. Chairman Kefauver and Sen. Lester C. Hunt (D., Wyo.), committee member, have also received threats from cranks.

REPERCUSSIONS. William O'Dwyer reiterated March 23 that he has no intention of resigning as Ambassador to Mexico. Pres. Truman backed him up March 29. O'Dwyer testified for over 9 hours March 26-27 before a special Brooklyn grand jury investigating crime and was asked to fill out a 23-page questionnaire on his finances. He telegraphed the Senate committee March 26 that John P. Crane's testimony that he gave O'Dwyer $10,000 in 1949 was a "vicious lie." Crane was suspended as vice president of the AFL Intl. Assn. of Fire Fighters March 23. [See p. 92E-H]

James J. Moran, 49, ex-Water Supply Commissioner and O'Dwyer's friend, and **Louis Weber,** 51, Brooklyn policy racket figure, were indicted on perjury charges in New York March 26. [See p. 92D, G]

Joseph (Giuseppe) Anastasio, 46, one of 6 Anastasia brothers in this country (he prefers to use the old-world spelling of his name), was arrested on a deportation warrant in New York March 27. An alien, he was charged with jumping ship to enter the country illegally in San Francisco in 1929.

Gerardo Anastasia, 38, was sworn as a citizen in New York but the judge refused to sign the papers March 22 until April 24 pending an investigation. [See p. 92L]

Samuel R. Beard of Washington, described as "one of the largest gambling operators on the Atlantic Seaboard," was accused of failing to pay taxes on $478,007.42 in 1944 in a criminal income tax complaint filed in Baltimore March 8.

Ralph J. (Bottles) Capone, one of the late Al Capone's brothers, was named in a 3-count criminal complaint filed in Chicago March 16 which charged that he made false statements about his income and withheld assets. [See Vol. X, p. 52C]

Providence (R.I.) dispatches disclosed March 21 that possibly 14 state legislators work at a racetrack there.

In San Francisco March 20, 3 men who testified before the Senate crime probe were indicted on a charge of conspiring to defraud the U.S. in a tax case. They were: Ernest M. Schino, discharged Internal Revenue official; Patrick Mooney, ex-Internal Revenue official; Martin M. Hartmann, salesman.

In Miami March 22, 5 ex-Dade County deputy sheriffs, charged with taking bribes from gamblers, were acquitted when the prosecutor accused the state's star witness of lying and quit the case. Another prosecutor resigned March 21 after Ben Cohen, Miami Beach attorney, won a directed acquittal on charges he was a silent partner in the S & G bookmaking syndicate. [See Vol. X, p. 425B]

In Philadelphia March 22 the March grand jury was ordered to press an investigation into city corruption. [See p. 77D]

In Cleveland March 27, 3 Ohio hoodlums were indicted on charges of contempt of Congress: James Licavoli, Toledo-Detroit ex-convict; Joe Di Carlo, Youngstown bookie, and Joe Aiuppo of Youngstown. [See p. 37N]

In Albany Gov. Thomas E. Dewey ordered an investigation of gambling in Saratoga Springs March 28 and created a statewide crime commission March 29. He absolved State Police Supt. John A. Gaffney of any wrongdoing. Gaffney testified he had "pigeonholed" a 1947 state police gambling report. [See p. 92L]

In Kansas City March 28 James J. Carroll, St. Louis gambler, was charged by the U.S. Govt. with failing to report $52,688.15 in payments to bettors and agents in 1948-49. [See p. 92N]

In New Orleans March 28 a federal grand jury indicted 5 gambling figures for contempt of Congress: "Dandy" Phil Kastel, Carlos and Anthony Marcello, Joseph A. Porretto and John J. Fogarty. [See p. 69H]

Churches. The Gen. Board of the Natl. Council of the Churches of Christ in the U.S.A. called on American Protestant churches March 28 to condemn gambling, arouse their members to its menace and strengthen their "moral fiber." The American Catholic Philosophers Assn. resolved in New York the same day that "while convinced that gambling is not in itself immoral" it condemns gambling "carried on in ways and conditions that are immoral."

Other Cases (not connected with the Senate probe). N.Y. Mayor Vincent R. Impellitteri March 23 signed a bill requiring policemen to give 30 days' notice before retiring. Scores of policemen had retired without notice to avoid testifying before a grand jury investigating crime and corruption. The first cop was jailed in the 16-month probe March 27 (for perjury). Another was arrested March 28. [See p. 92L-M]

In Shreveport, La. March 24 suspended U.S. Atty. Harvey L. Carey was indicted on a charge of asking a $60,000 bribe from an oil company.

ARMED FORCES

Mobilization Progress. Defense Mobilization Dir. Charles E. Wilson told reporters March 27 that the U.S. would soon have

enough military strength to deter any potential attack. "If I were this country's principal enemy I would be frightened by" the forthcoming first quarterly report on defense production, he said. He found "a lot of discouraging signs in the inflationary picture," however, although he declared that "controls have done some good." He cautioned against "undue optimism" in testimony before the Senate Appropriations Com. March 28 because "the threat of communistic aggression still exists." [See 97F, 77K]

Draft Call Halved. The Army March 23 cut its April draft call from 80,000 to 40,000 because enlistments were higher and casualties in Korea fewer than had been expected. This reduced total draft calls so far to 550,000. The Army the same day revealed that it would order 5,516 Natl. Guard members and 815 men in the Organized Reserve to duty in April. All students in its college ROTC units who graduate this spring (about 10,000) will go into uniform in the summer, the Army said. Next day it called up 1,100 majors and 400 lieutenant colonels in the Natl. Guard and Organized Reserve. [See pp. 44B, 61L]

Army Secy. Frank Pace declared in Boston March 27 that nearly half the Army's military personnel is in actual combat units and that nearly 70% of the 750,000 men who entered the Army since the Korean fighting started are scheduled for combat or combat-support outfits. Asst. Defense Secy. Anna M. Rosenberg testified March 22 that the Defense Dept. would start filling up Gen. MacArthur's under-strength divisions in Korea in April. [See pp. 92P, 82E]

U.S.-Canadian Defense Plan. U.S. and Canadian civil defense planning will be coordinated and carried out "as if there were no border" between the 2 countries, according to an agreement announced in Washington and Ottawa March 27. [See p. 35E]

Munitions Board Decentralization. Plans to decentralize the Munitions Board by splitting it up into 13 regional Armed Forces Councils were announced by the Defense Dept. March 22. The councils will be headed by civilian chairmen and will cover areas served by the regional mobilization committees of the Defense Mobilization Office. [See pp. 44D, 7L]

Foreign mission commanders named by Army March 23: Maj. Gen. Robert T. Frederick [see Vol. IV, pp. 262E, 239N; II, 251L-M] to relieve Maj. Gen. Reuben E. Jenkins as chief of all Military Defense Assistance Programs in Greece; Maj. Gen. Wayne C. Zimmerman to relieve Maj. Gen. Vernon Evans as chief of U.S. Military Mission with Iranian Army.

LABOR

Costs Rise Spurs Pay Claim. The Bureau of Labor Statistics announced March 23 that its cost-of-living index rose 1.3% between Jan. 15 and Feb. 15 to a record 184.2% of the 1935-39 average.* This 6.2-point increase will mean a 6¢ hourly raise effective April 1 for 1,000,000 non-operating rail workers covered by "escalator" pay clauses, if approved by the Economic Stabilization Agency. [See p. 69A]

The nation's railroads announced March 23 that they would ask the ICC for a 15% freight rate increase instead of the 6% already requested. The ICC March 14 gave the roads a temporary rise of 4% in the East and 2% in the South and West totaling $200 million a year in view of the recent $292 million annual raise for non-operating employes. New York March 11 approved a 12½% increase in intrastate passenger fares amounting to $2,393,200 a year for 10 roads. The ICC March 12 increased Railway Express rates up to 100% on many light, bulky items.

Contracts providing for identical cost-of-living adjustments and a 12½¢ hourly raise were signed by the Railway Express Agency with the AFL Bro'hood of Railway Clerks representing 43,000 truck drivers March 2 and with the AFL Bro'hood of Teamsters representing 8,000 drivers March 23. [See Vol. X, p. 369H]

Jones & Laughlin Tie-Up Ends. A rail strike that kept the Pittsburgh plants of the Jones & Laughlin Steel Corp. closed since March 11 was ended by Army order March 22. The Army directed J&L's Monongahela Connecting R.R. to give 500 members of the Bro'hood of Railroad Trainmen a 12½¢ hourly raise. The shutdown made 10,000 steelworkers idle. Cost in steel production was 4,500 tons a day. [See p. 61E-F; Vol. X, 395C]

Meat Strike Delayed. A threatened nationwide strike in the meat-packing industry was postponed until at least May 7 by 110,000 AFL and independent meat handlers March 23 and by the 120,000-member CIO United Packinghouse Workers March 24. The unions, however, refused to accept a 3¢ hourly raise in lieu of the 11¢ raise that the industry had granted but which the Econ. Stabil. Agency had refused to authorize. [See p. 84P]

Womanpower Advisers. Labor Secy. Maurice J. Tobin March 20 set up an 18-member Women's Advisory Com. on Defense Manpower with himself as chairman and ex-Rep. Mary T. Norton (D., N.J.) as vice chairman. Mrs. Norton was sworn in the same day as Tobin's special womanpower consultant. She will help plan policy for recruiting women for defense work. [See p. 61J]

Govt. Employment Up. Federal civilian employment rose to 2,305,000 in February, the Civil Service Comm. reported March 26. The Census Bureau revealed March 21 that 6,402,000 civilians, or one out of every 24 persons in the U.S., worked for local, state or federal governments during Oct. 1950. Total governmental payroll then was $1.527 billion a month. [See p. 77N]

Minnesota Bans Govt. Strikes. A bill banning strikes by Minnesota state, county, city or local government employes was signed by Gov. Luther W. Youngdahl March 26. [See p. 93J]

GENERAL

3 Atom Spies Guilty. A federal jury in New York March 29 found all 3 defendants in the nation's first atom spy trial guilty of espionage in behalf of Russia during and after the war. They were Julius Rosenberg, 32, electrical engineer, his wife, Ethel Greenglass Rosenberg, 35, and Morton Sobell, 34, electronics engineer. The jury deliberated 7 hours 42 minutes. Sobell never testified. All 3 pleaded innocent. The Rosenbergs have 2 small children, as has Sobell.

Principal witnesses against the defendants were Ethel Rosenberg's brother and sister-in-law, David and Ruth Greenglass, and Harry Gold. Greenglass, a defendant, has confessed; his wife was named a co-conspirator; Gold confessed last year and is under a 30-year sentence. Gold's testimony March 15 linked Rosenberg, Dr. Klaus Fuchs, confessed British spy, the Greenglasses and Anatoli A. Yakovlev, Soviet Vice Consul in New York who fled in 1946. Yakovlev was indicted in the current case. Elizabeth Terrill Bentley testified about contacts with "Julius." [See p. 84G]

Mrs. Knauff Barred. Mrs. Mary Ellen Knauff, 36, was barred from the U.S. by a special Immigration & Naturalization Service board in Washington March 26. 3 witnesses testified that she was a spy for Czechoslovakia—prior to the Czech Red coup in 1948—while employed by U.S. occupation forces in Germany. She denied the charge. [See p. 85C]

State Dept. Drops 4. The State Dept. disclosed March 27 that it has discharged 4 homosexuals in its Hong Kong consulate, including Vice Consul John W. C. Williams, 25, who confessed to accepting $10,000 in bribes for visas. [See Vol. X, p. 410L]

State Legislation. New York's Legislature March 17 authorized New York City to raise its sales tax from 2% to 3%. . . . A bill banning discrimination in private housing projects receiving direct or indirect financial aid from New York City was signed by Mayor Vincent Impellitteri March 14. It was aimed at discriminatory practices in Metropolitan Life Insurance Co. projects. (Municipal Court Justice George L. Genung ruled March 13 that the company had a right to evict 31 tenants of 2 projects who had successfully campaigned to make it drop its ban on Negroes as tenants.) [See p. 63F-G] . . . New York's City Council March 16 urged legalization of a city-run lottery. [See Vol. X, p. 21L] . . . The Colorado Legislature completed passage of a fair employment practices law March 16. [See p. 29E] . . . South Carolina March 13 ratified the 22d Amendment limiting Presidents to 2 terms. [See p. 68C-E] . . . A law permitting sale of colored oleomargarine in Connecticut was signed by Gov. John Davis Lodge March 9. Delaware's Legislature completed passage of a similar measure March 6. [See Vol. X, p. 358A-B]

Illegitimate Births Up. U.S. illegitimate births rose from 87,000 in 1938 to 129,700 in 1948 (last year with complete statistics), the Fed. Security Agency revealed in its annual report March 19. The proportion of children living in urban areas rose from 49% in 1940 to 52% in 1949. About 4,300,000 or 20% of the 21,300,000 married women with children under 18 were employed in 1949, compared with 9% in 1940. Federal assistance grants of $1,092,000,000 in fiscal 1950, added to state contributions, resulted in payment of $1,438,000,000 to 2,790,000 aged persons (federal share: 54.9%), $520 million for 1,663,000 dependent children (federal share: 43.7%) and $42 million to 78,000 blind persons (federal share: 43%). $22 million in federal grants went for maternal and children's programs. [See Vol. X, p. 164M]

Kansas City Elections. Mayor William E. Kemp, anti-Pendergast Democrat, won his 3d term in Kansas City's nonpartisan

*Old series used in railroad pay contracts; new series: 183.8%.

elections March 27. Candidates of the Citizens Assn., a coalition of Republicans, independents and anti-machine Democrats, also retained control of the city council against James Pendergast's Democratic organization [see Vol. X, p. 124H]. (John P. Previdi was elected March 26 as the first Republican Mayor of Danbury, Conn. in 14 years.)

LATIN AMERICA

Economic-Defense Parley Opens. Addresses by Pres. Truman and U.S. State Secy. Dean G. Acheson keynoted a 2-week conference on defense and economic problems begun by Forgn. Ministers of the 21 American republics in Washington March 26. The meeting is expected to produce resolutions on intensifying the collective defense effort of the Western Hemisphere. A major problem: Latin American dissatisfaction over the fact that prices are frozen on Latin goods in the U.S. but prices of U.S. goods keep rising in the other republics.

Pres. Truman said in opening the conference March 26: "Aggressive expansion of Soviet power threatens the whole world." "Instead of withdrawing into our hemisphere in a hopeless attempt to find security through retreat, we must concert our defenses and combine our strength in order to support men in Europe and Asia who are battling for freedom." "By standing firm in Korea and by preparing to meet aggression elsewhere, we are doing our best to prevent a 3d world war." Western Hemisphere nations must cooperate "as good neighbors in a common enterprise" to meet both military and civilian needs and "prevent wild and speculative price movements." He indorsed Bolivia's ambition to obtain an outlet to the Pacific from Chile and Peru, backed compensating projects to develop idle mountainous areas of the latter 2 countries, said South America has "greater resources undeveloped than were ever in this U.S.A., and I know we can develop them." [See p. 82K; Vol. X, 407K]

Brazilian Forgn. Min. João Neves da Fontoura replied to Mr. Truman for the Latins, said the other American countries are ready to do their share toward "mobilization for peace" but there must be closer economic cooperation throughout the hemisphere than in World War II. [See p. 47B]

Acheson, chairman of the conference, said March 27 that despite some differences in their ways of life, the American states were united against communism's "mortal threat" to "our independence as nations." He stressed the need for full support of UN measures for collective security and for American countries to "gather up our joint economic forces for the common defense." [See p. 59B; Vol. X, 407K]

Perón Claims New Atomic Process. Argentine Pres. Juan D. Perón announced March 24 that "controlled release of atomic energy" has been produced in Argentina. He said it was done on a "technical" (experimental) scale by "thermonuclear reactions identical to those whereby the sun releases atomic energy" —i.e. the "fusion" process that would be involved in a hydrogen bomb explosion [see Vol. X, p. 33G for H-bomb process]. Atomic scientists in the U.S. and West Europe scoffed at the announcement on several counts:

Perón said his atomic expert, Prof. Ronald Richter, had found a way to control the rate of thermonuclear reactions and keep them going, thereby hitting upon a way to get industrial atomic energy by the fusion process. He also said Richter got entirely away from the U.S. process of producing atomic energy from uranium elements and used "a much cheaper Argentine raw material." Atomic experts outside Argentina asserted that the Perón-Richter claims were impossible because: (1) temperatures of 10 million to 100 million degrees centigrade are required to achieve fusion of atomic nuclei; man can create these temperatures only by exploding a conventional A-bomb; (2) it would be a "miracle" if Argentina developed a fissionable material without using uranium; (3) the temperature necessary to bring about fusion exists only a fraction of a second when an A-bomb goes off and there is no way in sight to sustain such temperatures; (4) an apparatus for controlled and sustained thermonuclear reaction would have to be made of material that will not disintegrate when exposed to millions of degrees of heat, and no such material exists on earth.

Perón, who said he had ordered his atomic researchers to concentrate on industrial energy and not make an A-bomb or H-bomb, retorted March 25 he was "not interested" in foreign skepticism of his announcement. Opinion abroad was that the announcement was intended to deflect attention from the *La Prensa* newspaper closing and impress other Latin American countries on the eve of the American Forgn. Ministers conference.

Richter, 42, Austrian-born but a naturalized Argentine citizen, conceded March 26 his experiments in thermonuclear reaction were still in the "test tube" stage, far from practical application. He was given the Peronist medal by Perón March 28. Richter works at an atomic pilot plant set up by the Argentine Atomic Energy Comm. on Heumul Island in Lake Nahael Huapi near San Carlo de Bariloche, resort on the Chilean border 850 mi. southwest of Buenos Aires. [See Vol. X, p. 182E]

Other Argentine Developments. Dr. Alberto Gainza Paz, 52, editor-publisher of *La Prensa*, disclosed in Uruguay March 25 he had fled Argentina to avoid imprisonment because he said Congressional seizure of his newspaper is unconstitutional. He has been given a 15-day jail sentence in Buenos Aires. [See p. 94B] . . . 401 new school buildings were opened throughout Argentina March 23. [See p. 94C] . . . Argentine foreign trade in 1950 as reported March 26: exports totaled $383,090,000, imports $350,175,000. Sales to the U.S. totaled $77,430,000, a 168% increase over 1949. [See Vol. X, p. 278H]

Inter-American Conf. on Social Security's closing session in Buenos Aires March 27 indorsed the Peronist phrase "justicialism" as a term for social justice. Señora Eva Perón of Argentina, who proposed it, was supported by 13 countries, opposed by the U.S., Canada, Chile, Peru, Uruguay, Venezuela. [See p. 86F] . . . **Brazil** banned Communist meetings throughout the country March 27 after a meeting in Belo Horizonte, first of a series planned by the Reds in several cities, resulted in a riot. [See pp. 94C-D, 10M] . . . **Colombia** announced import controls March 25 on over 2,000 articles to combat a black market in scarce commodities. The Colombian peso was devalued to 2.5 per U.S. dollar March 20 on all foreign exchange except for a 2.31 peso-$1 rate on coffee exports. [See p. 94D] . . . **Mexican** federal troops moved into Colima State March 21 to enforce Jesus González Lugo's authority as Governor. The State Legislature had voted to impeach him. [See p. 86G] . . . **Venezuelan** court in Caracas indicted 23 persons March 27 for the Nov. 13 assassination of Acting Pres. Carlos Delgado Chalbaud. [See p. 78M; X, 386P]

FINANCE & ECONOMICS

Food Prices Curbed. A new price control system covering 60% of the items in the nation's $32 billion-a-year food bill was ordered by the Office of Price Stabilization March 28. The new plan limits the percentage that affected items can be "marked up." It covers 560,000 retailers and 10,000 wholesalers, takes effect between April 5 and 30 and replaces the Jan. 26 general freeze on items affected. OPS Dir. Michael V. DiSalle predicted that "the immediate impact" would be to cut prices, but that these reductions might be canceled if farm prices rise.

Major foods controlled by the order include butter, packaged cheese, baby foods, cocoa, breakfast cereals, coffee, tea, flour, canned & frozen fruits & vegetables, jams, jellies, lard, mayonnaise, salad dressings, shortenings and canned meats & fish. Items not covered include fresh milk & cream, fresh meats, bread, fresh fruits & vegetables, sugar, ice cream, soft drinks, candy, beer, wine and liquor. Items not covered, however, remain under the Jan. 26 freeze except for fresh fruits & vegetables and sugar which are exempt from curbs. The order requires grocers to recalculate prices every Monday on the basis of latest costs.

The OPS March 22 came to the relief of the nation's 400,000 filling stations by allowing them a minimum 4¢-a-gallon profit on gasoline. Some dealers had had their profit margins frozen at reduced levels because the base period for calculating ceilings coincided with local price wars. Price curbs were lifted on florist and nursery products March 26 because they have little effect on the cost of living. [See p. 95D]

First criminal complaint under the price control program was filed in Los Angeles March 20 against a used-car dealer.

Iron & Steel. The first shipment of high-grade Venezuelan iron ore to the U.S. arrived at Bethlehem Steel Corp.'s Sparrows Point (Md.) plant March 22. Shipments are expected to mount to 3-to-5 million tons a year. The new operation emphasized a movement of U.S. steel facilities to the eastern seaboard to facilitate use of Labrador and South American ores which are replacing ores from depleted Lake Superior ore fields. Bethlehem March

19 confirmed the discovery of a large new iron ore deposit near Morgantown, Pa. Secret operation of a rich iron ore strike near Randall, Minn. was revealed by the Pacific Isle Mining Co. March 17. Discovery in Brazil of large iron ore deposits and of the largest manganese deposits in the Western Hemisphere was reported by the U.S. Geological Survey March 21. The iron and one manganese field were found in the Matto Grosso Region; a 2d manganese strike was made on the banks of the Ampari River. [See pp. 54H-J, 17P, 38J]

Dollar Case Back in Court. R. Stanley Dollar brought his 5-year fight to regain control of the American President Lines back into court March 21. His attorneys asked Fed. Dist. Judge George B. Harris in San Francisco to rule that 13 persons and 2 corporations were guilty of contempt for failure to return 2,200,145 shares (about 92%) of the APL's voting stock to the Dollar interests as ordered by Fed. Dist. Judge Matthew F. McGuire in Washington March 16. The Commerce Dept. said March 16 that Commerce Secy. Charles Sawyer turned over the unindorsed stock certificates to Dollar. But the Fed. Maritime Board presented proxies for the stock at a stockholders' meeting in San Francisco March 19, elected Fed. Maritime Board Solicitor Paul D. Page Jr. as chairman and reelected George Killion as president. The Justice Dept. meantime is seeking an injunction to bar transfer of the stock. [See p. 85B]

U.S. production is nearing the highest levels of World War II, Defense Secy. George C. Marshall revealed March 24 in his semiannual report to the President for July 1-Dec. 31, 1950. $12 billion was obligated for matériel, supplies and construction and $6.3 billion for military pay, civilian employment, research and other services for the armed forces during the period. [See pp. 93E, 87D] . . . **Profits** of 2,213 leading U.S. corporations rose 32% from a total of $5,972,580,000 in 1949 to $7,908,218,000 in 1950, the Natl. City Bank of N.Y. reported in its monthly letter for March. [See p. 87A-E] . . . **Crops** of vital foods and livestock feed may drop below U.S. needs this year because of labor shortages and failure to plant enough, the Agriculture Dept. predicted March 19. Most damaging shortage was expected to be in corn with only 85,694,000 acres planted, compared with 90 million recommended by the Govt. and 84,370,000 planted last year. [See pp. 70N, 38K]

FDIC Chrmn. Maple T. Harl reported March 25 that outstanding loans of the nation's 13,446 insured commercial banks rose more than $7 billion in the first 6 months of the Korean war to a record total of above $52 billion. Deposits of these and the 194 insured mutual savings banks rose to a record $169 billion by Dec. 30, assets to a record $183 billion. [See p. 86K] . . . **Chrysler Corp.** Chrmn. K. T. Keller, 65, received a new contract under which he will continue to be paid $300,000 a year for 5 years and then $75,000 a year for life (reported March 15). [See Vol. X, p. 111B] . . . **W. Konrad McKelvey's** dismissal as an Atomic Energy Comm. employe for leaking advance information about the site for the AEC's South Carolina plant was announced by AEC Chrmn. Gordon Dean March 12. [See p. 79J]

COMPANY EARNINGS

	Net Income		Per Share	
	1950	1949	1950	1949
Air Reduction Co., Inc.	$8,625,003	$6,198,436	$3.15	$2.26
American Enka Corp.	6,961,768	6,000,357	18.69	16.11
American Metal Co., Ltd.	8,036,090	5,574,158	5.94	4.02
Anheuser-Busch, Inc.	13,247,712	14,509,752	2.94	3.22
Arkansas Natural Gas Corp.	11,250,046	10,882,842	1.31	1.26
Boeing Airplane Co.	10,826,558	4,411,348	10.00	4.07
Canadian Industries, Ltd.	11,094,154	9,000,889	1.53	1.24
Cannon Mills Co.	7,209,988	8,919,590	3.48	4.30
Central Illinois Public Service	5,162,755	4,741,452	1.71	1.55
Chesapeake & Ohio Ry.	33,947,092	11,357,897	4.25	1.36
Cleveland Cliffs Iron Co.	11,698,849	8,646,199	4.30	2.94
Colgate-Palmolive-Peet Co.	15,736,538	11,075,729	7.66	5.33
Consolidated Paper Corp.	12,133,660	10,999,613	4.73	4.28
Corn Products Refining	23,034,084	14,035,622	8.44	4.87
Corning Glass Works	17,612,355	7,078,384	6.53	2.56
Crane Co.	15,766,171	8,011,887	6.48	3.17
Curtis Publishing Co.	6,212,354	5,185,943	.93	.64
Duquesne Light Co.	11,931,011	10,541,911	5.10	4.26
Gaylord Container	6,881,896	4,128,811	2.94	1.77
Gen. Aniline & Film Corp.	7,000,520	2,926,810	9.55	3.99
Gulf Oil Corp.	111,139,605	100,877,041	9.80	8.89
Ingersoll-Rand Co.	18,729,010	15,020,241	9.25	7.40
Island Creek Coal Co.	5,081,140	4,141,505	4.15	3.36
Metropolitan Edison Co.	5,064,630	4,284,225	[p]23.55	[p]25.96
Michigan Consolidated Gas	6,041,746	5,423,854	1.55	1.56
Noranda Mines, Ltd.	11,774,556	12,716,930	5.26	5.68
Otis Elevator Co.	10,564,303	10,823,961	5.15	5.22
Pabst Brewing Co.	11,243,240	17,311,803	2.76	4.25
Philco Corp.	15,483,616	5,691,796	4.50	1.58
Remington Arms Co.	5,263,868	2,259,160	.68	.28
Revere Copper & Brass, Inc.	11,150,037	5,037,230	8.47	3.56
Reynolds Metals Co.	12,599,731	5,503,215	8.84	3.75
St. Joseph Lead Co.	12,211,615	8,564,436	4.94	3.47
Sears Roebuck & Co.	[a]143,654,981	[b]108,206,718	[a]6.08	[b]4.58
Signal Oil & Gas Co.	7,502,287	8,610,783	7.30	8.38
Socony Vacuum Oil Co.	128,216,683	98,329,305	4.03	3.07
Standard Oil of California	150,804,105	126,017,835	5.26	4.74
Standard Oil of Ohio	20,221,345	16,142,164	5.30	4.26
Texas Pacific Coal & Oil Co.	5,997,367	6,338,753	3.38	3.58
Time, Inc.	8,500,693	6,758,111	4.36	3.46
United Aircraft Corp.	13,204,128	10,093,182	4.48	3.31

[a]Year Jan. 31, 1951 [b]Year Jan. 31, 1950 [p]Preferred

BUSINESS & FINANCIAL SUMMARY

Week Ending March 24

FINANCE:			
U.S. Treasury—	**This Week**	**Last Week**	**Year Ago**
Monetary gold stocks	$21,856,000,000	$21,900,000,000	$24,271,000,000
Currency circulation	$27,121,000,000	$27,167,000,000	$26,972,000,000
Banks—			
Com'l, ind'l & agri'l loans	[a]$18,956,000,000	$18,689,000,000	$13,889,000,000
N.Y. bank clearings	$9,724,706,045	$10,403,494,149	$7,652,591,931
N.Y. bank loans (Mar. 21)	[r]$6,849,000,000	[r]$6,771,000,000	
England note circulation (£)	1,312,985,000	1,300,293,000	1,260,408,000
Export-Import Bank—	**1950**	**July-Dec. 1950**	
New loans extended	[f]$565,800,000	$288,700,000	
Net earnings	[g]$50,400,000	$25,500,000	
N.Y. Stock Exchange—	**This Week**	**Last Week**	**Year Ago**
Stock sales (shares)	5,644,630	10,435,704	9,306,500
Stock avgs. (100 stocks)*	140.56	141.46	127.78
Bond sales	$11,630,500	$23,259,000	$22,803,200
Bond avgs. (30 bonds)*	100.98	101.34	102.32
AGRICULTURE:			
Wheat price (bu.)	$2.70¾	$2.72⅛	$2.63⅛
Corn price (bu.)	$2.01¾	$2.03¾	$1.61¼
Cotton price (lb.)	$.4606	$.4606	$.3266
INDUSTRY:			
Auto output (cars, trucks)†	168,887	172,333	133,897
Crude oil (bbls. daily)	[bc]6,042,750	6,047,150	4,844,000
Soft-coal output (tons)	[d]9,980,000	11,145,000	13,482,000
Elec. output (kwh.)	[b]6,903,264,000	6,794,517,000	6,015,327,000
Carloadings (cars)	[b]745,365	749,627	725,570
Ind'l output (Fed. Reserve Board, 1935-39=100)	**Feb.** 218	**Jan.** 219	**Feb. 1950** 180
Steel output (tons)	7,762,000	[h]8,843,167	6,793,245
	Jan.	**Dec. 1950**	**Jan. 1950**
Pig iron output (tons)	5,894,403	5,693,033	5,293,596
PRICES:	**This Week**	**Last Week**	**Year Ago**
Steel scrap avg. (ton)	$43.00	$43.00	$28.42
Wholesale food index‡	[e]$183.9	$183.4	$152.4
Weekly wholesale commodity index (BLS, 1926=100)	[e]183.9	183.4	152.4
BUSINESS:			
Dept. store sales (Fed. Res. Board, 1935-39=100)	[b]292	303	264
Failures (March 15)‡	185	153	208
Consumer buying (1935-39=100)	**Feb.** 340.6	**Jan.** 360.3	**Feb. 1950** 284.3
Foreign Trade (Census Bureau)—	**Jan.**	**Dec. 1950**	**Jan. 1950**
Imports	[r]$1,022,300,000	$823,200,000	$622,600,000
Exports	$972,300,000	$1,063,200,000	$745,200,000

*N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet [a]Fed. Reserve member banks, 95 cities, March 14 [b]March 17 [c]World petroleum output averaged a record 11,294,300 bbls. a day in January, including 909,100 bbls. a day in Russian sphere (Oil & Gas Journal estimate March 22). [d]March 10 [e]March 20 [f]Credits authorized since bank's founding in 1934: about $5.1 billion. [g]Accumulated earnings since 1934: $228,600,000. [h]Payrolls totaled a record $245,294,000 in steel industry in Jan. [r]Record

OBITUARIES

David C. Ball, 93, founder-chairman of Oakite Products Corp.; March 23 in Lake Placid, N.Y.

Mrs. Edna Blue, 49, a founder and intl. chairman of Foster Parents' Plan for War Children; March 24 in New York.

Edmond Chasse, 64, Canadian newsman who broke the Guay plane-bombing case; March 24 in Quebec. (J. Albert Guay, 33, who murdered his wife and 22 others by time-bombing their airliner Sept. 9, 1949, was hanged in Quebec Jan. 12. Mrs. Arthur Pitre, who put the bomb on the plane, was convicted March 16 and sentenced to be hanged July 20.) [See Vol. X, p. 420L]

Edward Trowbridge Collins, 63, vice pres. of Boston Red Sox, former baseball star who was the leading 2d baseman in fielding for 9 years; March 25 in Boston of cerebral hemorrhage. Some of his records: longest active AL player (25 years), played in more games (2,651) than any other AL player, most stolen bases in 1910 and 1919, most runs scored in 1912, 1913 and 1914.

Dr. Edmund Ezra Day, 67, pres. of Cornell U. 1937-49, its chancellor 1949-50; March 23 in Ithaca, N.Y. of heart ailment. [See Vol. X, p. 55B-C; IX, 239N, 199K; IV, 44F-G]

Sir Harold B. Butler, 67, ex-director of Intl. Labor Office (Geneva); March 26 in Reading, Eng. [See Vol. II, p. 157G]

Lee Ellmaker, 54, co-founder and publisher of *Philadelphia Daily News,* ex-publisher of *Liberty, N.Y. Graphic, Pictorial Review, Women's World* and other publications; March 27 in Phila.

Philip B. Fouke, 78, founder-pres. of Fouke Fur Co. (world's largest seal skin processor); March 24 in Palm Springs, Calif.

Joseph Langerman, 62, a founder and ex-pres. of Howard Stores Corp.; March 23 in Miami Beach, Fla.

Dr. Charles Edward Lucke, 74, authority on thermodynamics and internal combustion engines; March 25 in St. Louis.

Mrs. Kathleen Lockhart Manning, 60, former opera star, composer, pianist; March 20 in Los Angeles of pneumonia.

Willem Mengelberg, 79, Dutch orchestra conductor exiled from Dutch musical world for wartime collaboration with the Nazis; March 22 in Zuort (Chur), Switzerland.

Dr. William Duncan Silkworth, 77, a leader in founding Alcoholics Anonymous; March 22 in New York of heart ailment.

David A. Simmons, 53, Houston attorney, ex-pres. of American Bar Assn.; March 24 in Houston. [See Vol. V, p. 399G-H]

SPORTS

Basketball. NCAA championship finals in Minneapolis March 27: Kentucky 68, Kansas State 58. For 3d place: Illinois 61, Oklahoma A&M 46. [See pp. 96G-H, 80G; Vol. X, 104D]

Natl. AAU men's championship in Denver March 24: San Francisco Chevrolets 76, Ft. Collins (Colo.) Creamery 55. Natl. AAU women's championship was won by the Hanes Hosiery team of Winston-Salem, N.C. in Dallas March 24.

Players arrested in New York's "fixing" scandal totaled 14 after Irwin Dambrot, Norman Mager and Herbert Cohen of CCNY's 1949-50 team, NCAA champions, were charged March 27 with taking bribes from an unidentified person to fix 3 games. Don Forman, 25, ex-NYU player, was arraigned as a material witness in New York March 24 in connection with an alleged attempt to fix CCNY games this season. He was said to have contacted players on behalf of someone other than Salvatore Sollazo. New York's punishment for bribery of athletes to throw contests was doubled to a maximum of 10 years imprisonment under a bill signed by Gov. Thomas E. Dewey March 21. NYU, St. John's of Brooklyn and Manhattan College decided March 26 to continue to use Madison Sq. Garden for basketball. [See p. 96H]

Boxing. European heavyweight title in London March 27: Jack Gardner, 23, 215 lbs., of Britain won a 15-round decision over Joe Weiden of Australia. [See p. 80J-K; Vol. X, 372G]

Golf. $10,000 Greensboro, N.C. open: won March 26 by Art Doering, 34, Richmond, Va., for $2,000. [See p. 96H-J] . . . $3,000 women's Sandhills open at Pinehurst, N.C.: won by Patty Berg of Minneapolis, for $750. [See p. 96H-J; Vol. X, 344G]

Hockey. Natl. Hockey League final standings March 25:

	W.	L.	T.	Pts.		W.	L.	T.	Pts.
Detroit	44	13	13	101	Boston	22	30	18	62
Toronto	41	16	13	95	New York	20	29	21	61
Montreal	25	30	15	65	Chicago	13	47	10	36

[See Vol. X, pp. 336C, 136J-K, 104G]

World amateur hockey championship finals in Paris March 17: Canada defeated Sweden, 5-1. [See Vol. X, p. 104F-G]

Ice Skating. North American figure skating titles in Calgary, Alta. March 25—Dick Button, men's; Sonia Klopfer, women's; Carol & Peter Kennedy, pairs. [See pp. 72G, 48C]

Tennis. Alexandria (Egypt) Intl. tourney winners: (March 25) Men's singles—Jaroslav Drobny, Egypt; women's singles—Doris Hart, U.S.; women's doubles—Miss Hart & Shirley Fry, U.S.; (March 24) men's doubles—Drobny & Dick Savitt, U.S.; mixed doubles—Miss Hart & Irvin Dorfman, U.S. [See p. 72J]

Skiing. Harriman Trophy Alpine meet at Sun Valley, Ida. March 17-18: winners of combined events—Ernie McCulloch (men's), Rhode Wurtele Eaves (women's); downhill—Verne Goodwin (men's), Mrs. Eaves (women's); slalom—Jack Reddish (men's), Sandra Tomlinson (women's). . . . U.S. Olympic skiing teams for Alpine events selected in Sun Valley March 19: *men's*—Reddish, Goodwin, Darrell Robison, Brooks Dodge, Dick Buek, Jim Griffith, Jack Nagel, George Macomber; *women's*—Miss Tomlinson, Jeannette Burr, Andrea Mead Lawrence, Sally Neidlinger, Imogene Opton, Katy Rodolph, Suzy Harris Rytting, Betty Weir. [See pp. 87N-P, 72H]

Swimming. John Marshall, 20, Australian student at Yale, set a new world record of 4 mins. 31 secs. for the 440-yard freestyle swim in Cambridge, Mass. March 17. [See p. 72M-N]

Rowing. Cambridge defeated Oxford in their 97th annual rowing classic on the Thames in London March 26. Cambridge has won 53, lost 43, tied one in the series. [See Vol. X, p. 112F]

Track & Field. Chicago Relays March 17: Don Gehrmann defeated Fred Wilt to win the Bankers Mile in 4 mins. 9.7 secs.; Bob Richards pole-vaulted 15 feet 4¾ in. [See pp. 88A, 39M]

MISCELLANEOUS

Plane Crashes. A U.S. Air Force C-124 Globemaster with 53 AF members aboard disappeared March 23 while en route across the Atlantic from Limestone, Me. to Mildenhall, Eng. Wreckage found March 28 indicated that there were no survivors. Among those killed: Brig. Gen. Paul T. Cullen, 49. . . . 27 persons were killed March 21 in the crash of a DC-3 operated by Colombia's Lansa Air Line near Hato Nuevo. . . . Maj. Robert E. Welch, 27, of Detroit, who shot down 19 planes during World War II, was killed when 2 F-84 Thunderjet fighters collided in the air near Litchfield Park, Ariz. March 23. [See p. 96M]

Cook Gets 300 Years. William E. Cook Jr., 23, was sentenced to 5 consecutive 60-year terms in Oklahoma City March 21 for the kidnap-murder of Mr. & Mrs. Carl Mosser and their 3 children in Joplin, Mo. He was found insane. [See p. 24N]

NEW BOOKS

CONJUGAL LOVE, by Alberto Moravia. Italian novelist writes about a writer and his wife. March 23. (Farrar, Straus & Young, $2.50)*

ELEVEN YEARS IN SOVIET PRISON CAMPS, by Elinor Lipper. Autiobiog. of Brussels-born German-Jewish woman. Estimates slave laborers in USSR at 12 million. March 26. (Regnery, 310 pp., $3.50)†

FESTIVAL, by J. B. Priestley. 12th novel by English writer. Light, satirical story about a town and a festival. March 26. (Harper, 607 pp., $3.95)*

THE GRAND PORTAGE, by Walter O'Meara. Novel about fur trading in Lake Superior country early last century. March 29. (Bobbs-Merrill, $3)*

THE GREAT IDEA, by Henry Hazlitt. Economist writes novel about year 2100, capitalism & communism. March 23. (Appleton-Century-Crofts, $3.50)*

THE HAND OF THE HUNTER, by Jerome Weidman. Novel about group sealed into wartime convoy ship. March 23. (Harcourt, Brace, $3.50)*

JENKIN'S EAR, by Odell Shepard & Willard Shepard. Novel about Wars of Austrian Succession told in form of "letter" by Sir Horace Walpole written in 1775. BOMC choice. March 27. (Macmillan, 474 pp., $3.50)*

RED STORM OVER CHINA, by Robert Payne. Accuses West of backing reactionaries in Asia. March 27. (Macmillan, $5)†

SEVEN DECISIONS THAT SHAPED HISTORY, by Sumner Welles. Behind scenes of war and postwar diplomacy. March 28. (Harper, 236 pp., $3)†

THE WORLD ABOVE, by Abraham Polonsky. Novel about psychiatrist and his 3 loves. March 27. (Little, Brown, $3.50)*

*Fiction †Non-fiction

NEW EXECUTIVES IN EDUCATION & RELIGION

Organization	Executive	Post	Date
American Assn. of Colleges for Teacher Education	Waldo E. Lessinger of Wayne U.	Pres.	Feb. 17
American Assn. of School Administrators	Dr. Kenneth E. Oberholtzer of Denver	Pres.	Feb. 21
American Jewish Historical Society	Lee M. Friedman	Pres.*	Feb. 11
Cornell U.	Dr. Deane Waldo Malott, 52, chancellor of U. of Kansas	Pres.	Jan. 27
Ford Foundation‡	Joseph M. McDaniel of Northwestern U.	Asst. Dir.	Feb. 1
Freedoms Foundation, Inc.	Don Belding	Chrmn.§	Mar. 18
	Kenneth D. Wells	Pres.	Mar. 18
Japan Intl. Christian U. Foundation, Inc.	Dr. Kenneth S. Latourette of Yale	Pres.	Feb. 7
Louisiana State U.	Lt. Gen. Troy H. Middleton	Pres.	Feb. 1
Natl. Council of Presbyterian Men	David W. Proffitt of Maryville, Tenn.	Pres.	Feb. 4
Natl. Lutheran Council	Rev. Dr. Lawrence M. Stavig	Pres.*	Jan. 30
N.Y. State U. Maritime College	Vice Adm. Calvin Thornton Durgin	Pres.	Mar. 7
Protestant Episcopal Church: Connecticut	Rev. Robt. McConnell Hatch	Suffragan Bishop	Jan. 30
North Carolina	Dr. Richard Henry Baker	Bishop Coadj.†	Jan. 25
Roman Catholic Church: West Germany	Archbishop Aloysius J. Muench of Fargo, N.D.	Papal Nuncio	Mar 9
United Service for New Americans	Walter H. Bieringer	Pres.*	Jan. 20
Wells College, Aurora, N.Y.	Dr. Louis Jefferson Long, 42	Pres.	Jan. 30
	RETIREMENT		
Rutgers U.	Dr. Robt. C. Clothier, 66	Pres.	Jan. 19

*Reelected ‡C. Scott Fletcher, 46, resigned as president of Encyclopaedia Britannica Films to head Ford Foundation's adult education activities March 6. †Consecrated §Switches from President